

WEBSTER-CALHOUN COOPERATIVE TELEPHONE ASSOCIATION



GOWRIE, IOWA 50543
515 - 352-3151

June 21, 2004

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, S.W.
Washington, DC 20554

ATTN: John Berresford, Room 3-A662, Media Bureau

*Re: Comment on Over-the-Air Broadcast Television Viewers
MB Docket No. 04-210*

Dear Ms. Dortch:

I am writing to provide the comments of the Webster-Calhoun Cooperative Telephone Association on the FCC Media Bureau's proposed options for minimizing the disruption to consumers when the switch-over to digital broadcasting occurs. In particular, the FCC wants to know how it should deal with those over-the-air broadcast television viewers who do not have access to digital televisions or DTV-to-analog conversion equipment when analog broadcasting is ceased. As discussed below, we are in favor of subsidies from future auction revenues, but we are against any imposition of retroactive costs on existing 700 MHz band licensees.

With headquarters in Gowrie, Iowa, Webster-Calhoun was incorporated in 1954 and currently has approximately 4700 subscribers from 16 communities in rural north central Iowa. As a cooperative we are member-owned and our goal is to provide our member-subscribers with the best possible service at a reasonable cost. We are diversifying services through other new and exciting ventures such as cellular services, Internet, PCS, long distance, and exchange acquisitions while continuing to modernize service with fiber optic cable, digital switching upgrades and CLASS custom calling features. We obtained licenses in the Lower 700 MHz Band Service as a way to improve and expand upon the services that we provide to customers both within and outside of our current operating territory. We hope to begin construction of our 700 MHz band network, and the provision of advanced wireless services to rural consumers, once suitable equipment is available.

We strongly support the Media Bureau's goals of ensuring a timely and predictable end to the DTV transition while at the same time minimizing disruption to consumers. To this end, we believe that government action to facilitate the transition is

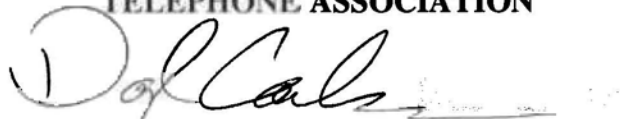
warranted and the FCC should recommend that Congress design some type of assistance or subsidization program that would help consumers to purchase a digital-to-analog converter box, a DTV tuner, or to help pay for a cable or satellite subscription (allowing consumers to choose how they receive digital programming).

We also believe it would be appropriate for the Commission to use future auction proceeds to help pay for such a program. However, the Media Bureau must not look (or recommend that Congress look) to existing 700 MHz band licensees as a source of funding for the conversion of consumers' analog-only equipment or for any other mandatory band-clearing initiatives. We have already paid for our licenses under rules that did not require new licensees to help pay for band-clearing efforts, and we did not have any opportunity to factor these costs into our valuation of the 700 MHz spectrum. The retroactive imposition of relocation costs would be unfair and unduly burdensome to small businesses and rural telephone companies and would delay the introduction of advanced wireless services to rural areas.

Our customers have current needs that can be met by 700 MHz, which is especially well suited to rural areas because of its signal propagation characteristics. To this end, the Commission should take whatever steps are necessary to clear the 700 MHz band of incumbent broadcasters at the earliest possible date. But if our status as a 700 MHz licensee means that we will have to use our limited resources to help pay for the transition to DTV, then these additional costs will make it far more difficult, if not impossible, for us to provide innovative voice and data services at an affordable cost to rural consumers.

Very truly yours

**WEBSTER-CALHOUN COOPERATIVE
TELEPHONE ASSOCIATION**

A handwritten signature in dark ink, appearing to read 'Daryl Carlson', is written over the printed name and title.

Daryl Carlson
General Manager, EVP

cc: Rick Chesson, Media Bureau (Room 3-A726)